

HOUSE RESEARCH ORGANIZATION • TEXAS HOUSE OF REPRESENTATIVES

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HOUSE RESEARCH ORGANIZATION

daily floor report

Thursday, May 07, 2015
84th Legislature, Number 65
The House convenes at 10 a.m.
Part Two

Sixty-four bills are on the daily calendar for second-reading consideration today. The bills analyzed or digested in Part Two of today's *Daily Floor Report* are listed on the following page.

The House will consider a Congratulatory and Memorial Calendar.



Alma Allen
Chairman
84(R) - 65

HOUSE RESEARCH ORGANIZATION

Daily Floor Report

Thursday, May 07, 2015

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Part 2

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SUBJECT: Allowing a Bexar County land bank demonstration program

COMMITTEE: County Affairs — committee substitute recommended

VOTE: 7 ayes — Coleman, Farias, Burrows, Romero, Schubert, Spitzer, Wu

 2 nays — Stickland, Tinderholt

WITNESSES: For — Tommy Calvert, Bexar County Precinct 4; (*Registered, but did not testify*: Charles Hahn; Seth Mitchell, Bexar County Commissioners Court)

 Against — None

 On — (*Registered, but did not testify*: Nate Walker, Texas Family Council)

BACKGROUND: In 2003, the 78th Legislature enacted HB 2801 by Giddings, which established the Urban Land Bank Demonstration Program Act under Local Government Code, ch. 379C. A municipality to which the act applies may permit an exclusive and private sale of tax foreclosed property to a land bank. Property acquired by the land bank is allowed to be developed into affordable housing, among other purposes. The act outlines requirements for the eligible city, qualifying developers, and other entities to follow in the acquisition and sale of such properties.

 Local Government Code, sec. 379C.002 provides for the application of the act to the cities of Dallas and San Antonio. Certain fast-growing counties also believe they could benefit from this tool to address blight and develop affordable housing, particularly in their unincorporated areas.

DIGEST: CSHB 4015 would allow an eligible county (Bexar County) to adopt a land bank demonstration program pursuant to all applicable provisions laid out in Local Government Code, sec. 379C. However, unlike a municipality under that section, a county land bank would not be able to sell property to a developer to construct a grocery store or receive land that was the site of a world exposition.

This bill also would provide that a municipal land bank may participate in a county land bank program, if the participation was incorporated into the land bank demonstration plans for both land banks.

This bill would take effect September 1, 2015.

SUBJECT: Governance and operation of municipal management districts

COMMITTEE: Special Purpose Districts — committee substitute recommended

VOTE: 6 ayes — D. Miller, Alvarado, Faircloth, Fallon, Martinez Fischer, Zedler
0 nays
1 absent — Stickland

WITNESSES: For —Trey Lary, Allen Boone Humphries Robinson LLP; Sandra Rocha Taylor and Norma Nelly Vielma, Laredo Alliance; and six individuals;
(*Registered, but did not testify*: Howard Cohen, Schwartz, Page, and Harding, LLP; Jann Cobler)

Against — None

On — Mahmood Banijamali

BACKGROUND: Local Government Code, ch. 375 provides for the creation of municipal management districts (MMDs) to supplement the services and obligations of the municipality. MMDs are created in areas devoted primarily to commercial development or business activity to expand and improve transportation and pedestrian facilities and systems, as well as to landscape and develop certain areas that are necessary for the restoration, preservation, and enhancement of scenic and aesthetic beauty.

To create an MMD, a petition, signed by the owners of a majority of the assessed value of the real property within the district or 50 persons who own real property in the proposed district, must be submitted to Texas Commission on Environmental Quality (TCEQ).

MMDs have the power to levy an ad valorem property tax for funding mass transit, road, or drainage improvements and to levy impact fees. Under certain circumstances, an MMD may levy assessments against property within the district.

DIGEST: CSHB 3097 would amend Local Government Code, ch. 375 regarding the governance and operation of municipal management districts by:

- removing the option to create a municipal management district by a petition signed by 50 persons who own real property in the proposed district;
- expanding those that could nominate a board member to include the existing board as well as a majority of property owners;
- allowing a service or improvement that benefitted property in the district, even if the improvement was located outside of the district boundaries;
- allowing only owners with the majority of property value to petition for a bond election; and
- lowering the threshold of property owners who could dissolve a district from 75 percent to two-thirds.

The bill would take effect September 1, 2015.

SUBJECT: Deregulating threading; allowing barber, cosmetologist on-site services

COMMITTEE: Licensing and Administrative Procedures — committee substitute recommended

VOTE: 8 ayes — Smith, Gutierrez, Geren, Goldman, Guillen, Miles, D. Miller, S. Thompson

0 nays

1 absent — Kuempel

WITNESSES: For — (*Registered, but did not testify*: Linda Connor; Paul Griffith)

Against — Linda Colwell

On — (*Registered, but did not testify*: William Kuntz, Texas Department of Licensing and Regulation)

DIGEST: CSHB 4069 would decrease from four years to two the amount of time after a student's withdrawal or termination from a barber or private beauty culture school that the student had to re-enroll in the school after having completed at least 50 percent of the course. A student who received a grade of incomplete when the student withdrew but who was not entitled to a refund could re-enroll within two years and complete the subjects without paying additional tuition.

The bill would specify that threading, a process to remove unwanted eyebrow hair from a person by using a thin piece of thread, was not included in the definition of barbering or cosmetology. The bill would add eyelash extensions to the practices people holding manicurist/esthetician specialty licenses could perform.

CSHB 4069 would allow people who held a license, certificate, or permit for barbering or cosmetology to perform their services at an unlicensed facility if it was for a client who received the services in preparation for a special event, including a wedding or quinceañera.

The bill would increase from nine to 11 the number of members appointed to the Advisory Board on Cosmetology, including one member who held a manicurist specialty license and an additional public member. The presiding officer of the Texas Commission of Licensing and Regulation would be required to appoint the two additional members by January 1, 2016, and would designate one member to a term expiring in 2017 and one to a term expiring 2021.

CSHB 4069 would require the commission to adopt rules to implement the bill by January 1, 2016.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

**SUPPORTERS
SAY:**

CSHB 4069 would update regulations covering barbering and cosmetology to keep up with modern demands. The bill would decrease by two years the amount of time a school was required to accept a former student who withdrew or was terminated, which would reduce the likelihood that returning students had forgotten instructional material while their studies had lapsed. The decrease in time would be beneficial for both re-enrolled students and schools because time in the classroom could be used more efficiently.

The bill would deregulate the practice of threading, which presents a very small risk to the public's safety. The only tool used in the practice is thread, making regulation unnecessary. Currently, licensed estheticians can perform eyelash extensions, while licensed manicurist-estheticians cannot. The bill would remove this unnecessary disparity between the two license holders.

Under current law, licensed barbers and cosmetologists may not perform services for compensation at a facility that is not licensed. However, many clients would rather have services performed on-site for special occasions such as weddings or quinceañeras, and the bill would allow this to happen.

CSHB 4069 would add a member to the Advisory Board on Cosmetology

who held a manicurist specialty license, to represent about 15 percent of licensed cosmetologists. This would help ensure the concerns and suggestions of those license holders were heard. The additional public member also would provide valuable feedback and suggestions to the board.

**OPPONENTS
SAY:**

CSHB 4069 would maintain the unreasonable requirement that barber and private beauty culture schools accept students who had previously withdrawn from or been terminated by the school. While the timeframe would be limited to two years instead of four, this requirement still would be unreasonable for school owners.

Barber and private beauty culture schools are required to accept former students who received a grade of incomplete and withdrew from the class with no additional tuition. This financial burden on schools should be removed. In situations where the student's education was terminated by the school, the school would have to allow the student to return, even though there likely was a good reason the student was asked to leave.

SUBJECT: Jurisdiction of the Barton Springs-Edwards Aquifer Conservation District

COMMITTEE: Natural Resources — committee substitute recommended

VOTE: 10 ayes — Keffer, Ashby, D. Bonnen, Burns, Kacal, T. King, Larson,
Lucio, Nevárez, Workman

0 nays

1 absent — Frank

WITNESSES: For — Will Conley, Hays County; Linda Curtis, Independent Texans PAC; John Dupnik, Brian Sledge, and Mary Stone, Barton Springs Edwards Aquifer Conservation District; Linda Kaye Rogers, Hays Trinity Groundwater Conservation District; Louie Bond; Patrick Cox; Ashley Whittenberger; (*Registered, but did not testify*: Roy Cathey, Environment Texas; Harvey Everheart, Mesa Underground Water Conservation District; David Foster, Clean Water Action; Jimmy Gaines, Texas Landers Council; Myron Hess, National Wildlife Federation; Conrad John, Travis County Commissioners Court; Ken Kramer, Sierra Club - Lone Star Chapter; Chloe Lieberknecht, the Nature Conservancy; Christy Muse and Ken Whalen, Hill Country Alliance; Paul Weatherby, Middle Pecos Groundwater Conservation District; Thomas Weber, Travis County Commissioners Court; David Weinberg, Texas League of Conservation Voters; Ray Whisenant, Hays County, Texas; and 18 individuals)

Against — (*Registered but did not testify*: Mike Rutherford, Jr.)

On — Catarina Gonzales, City of Buda; Kaveh Khorzad, Wet Rock Groundwater Services; Ed McCarthy, Electro Purification; Daryl Slusher, City of Austin, Austin Water Utility; Todd Votteler, Guadalupe-Blanco River Authority; Robert Wilson, Plum Creek Conservation District; Gary Bradley; Billy Gray; Tim Throckmorton; (*Registered but did not testify*: Kelly Mills, Texas Commission on Environmental Quality; John Hatch)

DIGEST: CSHB 3405 would expand the Barton Springs-Edwards Aquifer Conservation District to include shared territory inside the boundaries of

the Edwards Aquifer Authority and Hays County. The shared territory would not include any territory within the boundaries of the Plum Creek Conservation District as those boundaries existed on February 1, 2015.

The Edwards Aquifer Authority would have jurisdiction over any well drilled to produce water from the Edwards Aquifer in the shared territory.

The Barton Springs-Edwards Aquifer Conservation District would have jurisdiction over any well drilled to produce water from the Edwards Aquifer or any other aquifer within its territory but outside of the shared territory.

The Barton Springs-Edwards Aquifer Conservation District would have jurisdiction over any well drilled to produce water in the shared territory from any aquifer other than the Edwards Aquifer.

Only the Barton Springs-Edwards Aquifer Conservation District and the Edwards Aquifer Authority could regulate the spacing of water wells or the production from water wells in the shared territory.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

**SUPPORTERS
SAY:**

CSHB 3405 would expand the Barton Springs-Edwards Aquifer Groundwater Conservation District to cover areas currently unprotected and unmanaged in Hays County, known as "white zones." A private company developed a groundwater well field in an area just outside of any groundwater conservation district's territory in an unprotected and unmanaged white zone area. It has contracts in place to deliver up to 5.3 million gallons per day across Hays County. CSHB 3405 would protect the Hays County groundwater right owners and the long-term health of Central Texas aquifers.

**OPPONENTS
SAY:**

CSHB 3405 could fail to protect existing contracts, leases, and associated property rights that have been in place since before the regular session of the 84th Legislature began. This failure would be to the detriment of a private company, its landowner-lessors, and municipal supply customers

in the City of Buda and Goforth Special Utility District.

SUBJECT: Granting authorities to The Woodlands Township

COMMITTEE: County Affairs — favorable, without amendment

VOTE: 7 ayes — Coleman, Farias, Burrows, Romero, Schubert, Spitzer, Wu
1 nay — Tinderholt
1 absent — Stickland

WITNESSES: For — Howard Cohen and Miles McKinney, The Woodlands Township;
(*Registered, but did not testify*: Rob Eissler, The Woodlands Township)
Against — None

DIGEST: HB 4149 would allow The Woodlands Township to merge or consolidate with a qualified association to carry out certain functions in order to promote business retention, sustain employment, and prevent substandard and blighted housing conditions.

The bill would consider the Township as an “endorsing municipality” for the purpose of authority over certain economic actions. This would include allowing the Township to seek financial assistance for qualifying events from the Events Trust Fund. The bill also would entitle the Township to receive a certified appraisal roll, an estimate of the taxable value of property in the district, and assistance in determining property values in the manner authorized for municipalities, including the requirement that the appraiser provide the appraisal roll by July 25 of each year.

The bill would authorize The Woodlands Township to:

- engage in or contract with another person to perform activities to further transportation and traffic purposes of the Township, including any work on a rail system;
- apply for and receive state and federal transportation funding, including grants or other assistance, and carry out functions and

obligations associated with the funding;

- contract for an improvement to a highway on the Township's boundary and consent to a tax imposed by another municipality under provisions in the Transportation Code;
- adopt and enforce rules regarding access to and use of the Township's transportation projects, facilities, programs, and services; and
- charge a fare, fee, rate, toll, or other charge for the use of a Township transportation project, facility, program, or service.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

**SUPPORTERS
SAY:**

HB 4149 would provide The Woodlands Township in Montgomery County with necessary additional powers. The Township is the largest urban population in Montgomery County, with more than 100,000 residents. Although the Township is not a city, such a large population creates many of the same challenges that cities have, and the Township should have similar authority to deal with those problems.

The bill would allow the Township to receive tax rolls by July 25, which would allow for appraisals to be sent out earlier and for the Township to prepare a budget earlier. The authority provided under the bill that would allow the Township to establish a rail system is no different than the authority enjoyed by any home rule city. Establishing rail would not be required but merely permitted. The bill also would help the city fund its boating transportation system. The system is no longer self-sufficient, and imposing a ridership fee would be necessary to make it self-sufficient, not for the purpose of raising extra revenue for the Township.

**OPPONENTS
SAY:**

HB 4149 would authorize additional tolls on the Township's residents to pay for the boating transportation system, which is funded now by the Township and some federal dollars received for transportation. The bill also inappropriately would allow rail to be established in the Township.

SUBJECT: Expanding a sales tax exemption to include certain veterinary supplies

COMMITTEE: Ways and Means — committee substitute recommended

VOTE: 10 ayes — D. Bonnen, Y. Davis, Bohac, Button, Darby, Martinez Fischer, Murphy, Springer, C. Turner, Wray

0 nays

1 absent — Parker

WITNESSES: For — (*Registered, but did not testify*: John Hubbard; Elizabeth Choate, Texas Veterinary Medical Association)

Against — None

On — Brad Reynolds, Comptroller of Public Accounts; (*Registered, but did not testify*: Eric Stearns, Comptroller of Public Accounts)

BACKGROUND: Tax Code, sec. 151.313 provides for sales tax exemptions on a wide variety of health care supplies used by medical doctors, including drugs, therapeutic devices, and intravenous systems.

DIGEST: CSHB 633 would exempt from sales taxes drugs and medicine, therapeutic devices along with any related supplies, and intravenous systems and their associated components if dispensed, prescribed, or used by veterinarians.

The bill would take effect September 1, 2015, and would not affect tax liability accruing before its effective date.

NOTES: The Legislative Budget Board’s fiscal note indicates that the bill would have a negative impact of \$4.9 million on general revenue related funds through fiscal 2016-17.

SUBJECT: Developing brackish groundwater production zones

COMMITTEE: Natural Resources — committee substitute recommended

VOTE: 10 ayes — Keffer, D. Bonnen, Burns, Frank, Kacal, T. King, Larson, Lucio, Nevárez, Workman

0 nays

1 absent — Ashby

WITNESSES: For — Brian Sledge, Benbrook Water Authority, Lone Star Groundwater Conservation District, North Texas Groundwater Conservation District, Barton Springs Edwards Aquifer Conservation District, Prairielands Groundwater Conservation District; Steve Kosub, San Antonio Water System; Bob Harden, Texas Association of Groundwater Owners and Producers; Darrell Peckham, Texas Desalination Association; Heather Mahurin, Texas Municipal League; Leigh Thompson, Texas Public Policy Foundation; Buddy Garcia; (*Registered, but did not testify*: Chris Miller, Association of Electric Companies of Texas; Corbin Van Arsdale, AGC-Texas Building Branch; Jon Fisher, Associated Builders and Contractors of Texas; Mike Nasi, Balanced Energy for Texas Coalition, Water-Energy Nexus for Texas Coalition; Matt Phillips, Brazos River Authority; Robert Flores, Breitling Energy; Jon Weist, City of Irving; Megan Dodge, City of San Antonio; John Grant, Colorado River Municipal Water District; Larry McGinnis, Exelon Corporation; Jessica Oney, Luminant; Hugo Gutierrez and Amy Maxwell, Marathon Oil Corporation; Parker McCollough, NRG Energy, Inc.; Scott Norman, Texas Association of Builders; Stephen Minick, Texas Association of Business; Patrick Tarlton, Texas Chemical Council; Lindsey Miller, Texas Independent Producers and Royalty Owners Association; Perry Fowler, Texas Water Infrastructure Network)

Against — Arthur Troell, Atascosa Water Watch; Greg Sengelmann, Gonzales County Underground Water Conservation District; Paul Weatherby, Middle Pecos Groundwater Conservation District; Joseph Fitzsimons, Texas and Southwestern Cattle Raisers Association; Billy Howe, Texas Farm Bureau; David Yeates, Texas Wildlife Association;

Jim Allison, Victoria Groundwater Conservation District, Pecan Valley Groundwater Conservation District, Refugio Groundwater Conservation District, Texana Groundwater Conservation District, Calhoun Groundwater Conservation District; Larry Fox; Jay Troell; (*Registered, but did not testify*: Hallie Bertrand, Corn Producers Association of Texas; Cyrus Reed, Lone Star Chapter Sierra Club; Harvey Everheart, Mesa Underground Water Conservation District; Josh Winegarner, Texas Cattle Feeders Association; Laura Buchanan, Texas Land and Mineral Owners Association; Jimmy Gaines, Texas Landowners Council; Daniel Berglund, Texas Rice Producers Legislative Group)

On — Gary Westbrook, Post Oak Savannah Groundwater Conservation District; Jennifer Walker, Sierra Club, Lone Star Chapter; Todd Staples, Texas Oil and Gas Association; Robert Mace, Texas Water Development Board; (*Registered, but did not testify*: Kelly Mills, Texas Commission on Environmental Quality; Bill Stevens, Texas Alliance of Energy Producers)

BACKGROUND: Water Code, sec. 16.053(e) requires each regional water planning group to submit to the Texas Water Development Board (TWDB) a regional water plan including certain planning and water management strategies.

Under Water Code, sec. 16.060 TWDB is required to participate in research, studies, and investigations to further the development of cost-effective water supplies from seawater desalination. TWDB prepares biennial progress reports on implementation.

DIGEST: CSHB 30 would require each regional water planning group to include in its regional water plan to TWDB opportunities for and the benefits of developing large-scale desalination facilities for seawater or brackish groundwater that serve local or regional brackish groundwater production zones.

The bill would amend Water Code, sec. 16.060 relating to desalination studies and research by including brackish water desalination in the research and reporting already required for seawater desalination.

TWDB would be required to include in its biennial progress report on the

implementation of desalination activities, the identification and designation of brackish groundwater production zones in areas of the state with moderate to high availability and productivity of brackish groundwater that could be used to reduce the use of fresh groundwater.

The designated production zones should be separated by hydrogeologic barriers sufficient to prevent significant impacts to water availability or water quality.

Production zones could not be located in:

- the jurisdiction of the Edwards Aquifer Authority;
- the boundaries of the Barton Springs-Edwards Aquifer Conservation District, Harris-Galveston Subsidence District, or Fort Bend Subsidence District;
- an aquifer, subdivision of an aquifer, or geologic stratum that had an average total dissolved solids level of more than 1,000 milligrams per liter and was serving as a significant source of water supply for municipal, domestic, or agricultural purposes at the time of designation of the zones; or
- an area of a geologic stratum designated or used for wastewater injection.

TWDB would be required to work with groundwater conservation districts and stakeholders to consider the Brackish Groundwater Manual for Texas Regional Water Planning Groups, any updates to the manual, and other relevant scientific data or findings when identifying and designating brackish groundwater production zones.

In designating a brackish groundwater production zone, TWDB would be required to determine the amount of brackish groundwater that the zone could be capable of producing over a 30-year period and a 50-year period without causing a significant impact to water availability or water quality. TWDB would be required to recommend reasonable monitoring to observe the effects of brackish groundwater production within the zone.

In its biennial progress report due December 1, 2016, TWDB would have to include an identification and designation of brackish groundwater

production zones for:

- portions of the Carrizo-Wilcox Aquifer located between the Colorado and Rio Grande rivers;
- the Gulf Coast Aquifer and sediments bordering that aquifer;
- the Blaine Aquifer; and
- the Rustler Aquifer.

By December 1, 2022, TWDB would be required to identify and designate brackish groundwater production zones for the other areas of the state.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

**SUPPORTERS
SAY:**

CSHB 30 would speed up the process of mapping the highly productive brackish aquifer formations. Texas has an estimated 2.7 billion acre-feet of brackish water underground that could be treated to drinking water standards or made suitable for other purposes through desalination. Desalination technology has advanced rapidly over the past decade, yet Texas lags behind states to the east and west in terms of embracing this readily available innovative water technology. Identifying and designating local or regional brackish groundwater production zones that could be used to reduce the use of fresh groundwater would be a major step toward securing the state's water supply.

**OPPONENTS
SAY:**

While CSHB 30 would not authorize any regulatory authority, the designation of production zones could be the first step in regulation of brackish groundwater. Brackish groundwater production zones would be identified and designated only by TWDB for inclusion in its biennial report. It would be more appropriate for the designation of production zones to include a public process similar to the designation of groundwater management areas.

NOTES:

According to the Legislative Budget board's fiscal note, the bill would result in a negative impact to general revenue related funds of about \$789,000 through the 2016-17 biennium.

SUBJECT: Extending the period for eliminating the system benefit fund

COMMITTEE: Appropriations — committee substitute recommended

VOTE: 18 ayes — Otto, Sylvester Turner, Bell, G. Bonnen, Burkett, Capriglione, S. Davis, Gonzales, Howard, Hughes, Koop, Longoria, McClendon, Muñoz, Phelan, J. Rodriguez, Sheffield, Walle

0 nays

9 absent — Ashby, Dukes, Giddings, Márquez, Miles, R. Miller, Price, Raney, VanDeaver

WITNESSES: For — R. A. Dyer, Texas Coalition for Affordable Power; Carol Biedrzycki, Texas Ratepayers Organization to Save Energy; (*Registered, but did not testify*: John Fainter, Association of Electric Companies of Texas; Cyrus Reed, Lone Star Chapter Sierra Club; Gregg Knaupe, Texas Energy Association for Marketers; Randall Chapman, Texas Legal Services Center; Carlos Higgins, Texas Silver Haired Legislature)

Against — None

On — (*Registered, but did not testify*: Ursula Parks, Legislative Budget Board; Thomas Gleeson and Brian Lloyd, Public Utility Commission)

BACKGROUND: Under Utilities Code, sec. 39.903, the System Benefit Fund (SBF) is administered by the Public Utility Commission (PUC) to fund the operation of the agency, pay for customer education programs, and provide a utility rate discount to eligible low-income utility customers during the warm-weather months of May through September. The SBF receives its revenue through a per megawatt-hour fee collected from electricity ratepayers in areas open to competition. During recent years, revenue collected for the SBF exceeded appropriations, and the fund ended fiscal 2013 with a balance of \$811.3 million.

HB 7 by Darby, enacted by the 83rd Legislature in 2013, required the PUC to spend down the available balance in the SBF. It eliminated the fee

deposited to the fund beginning in fiscal 2014 and set the end of fiscal 2016 as the fund's expiration date. Due to lower-than-expected enrollment in the discount program, combined with a mild summer, the PUC estimates that the SBF will have an unexpended balance of \$227 million at the end of fiscal 2016.

DIGEST: CSHB 1101 would amend Utilities Code, sec. 39.9039, regarding the elimination of the System Benefit Fund (SBF), by extending the expiration date of the low-income discount program and the fund from 2016 to 2017.

CSHB 1101 would remove the cap on the discount rate and make the program available for the 12-month period between September 2015 and August 2016, rather than only during the summer months of September, and May through August.

If any money remained in the fund on September 1, 2016, the program would continue to be available without a discount cap for the 12-month period between September 2016 and August 2017.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

SUBJECT: Issuing specialty license plates for recipients of the Commendation Medal

COMMITTEE: Defense and Veterans' Affairs — committee substitute recommended

VOTE: 6 ayes — S. King, Frank, Blanco, Farias, Schaefer, Shaheen

0 nays

1 present not voting — Aycock

WITNESSES: For — Morgan Little, Texas Coalition of Veterans Organizations;
(*Registered, but did not testify*: Jim Brennan, Texas Coalition of Veterans Organizations)

Against — None

On — (*Registered, but did not testify*: Jeremiah Kuntz, Texas Department of Motor Vehicles)

BACKGROUND: The Texas Department of Motor Vehicles issues a variety of specialty license plates to recognize military service. The department does not currently issue a specialty license plate that recognizes recipients of the Commendation Medal issued by each branch of the armed forces.

DIGEST: CSHB 127 would require the Texas Department of Motor Vehicles to issue specialty license plates for recipients of the Commendation Medal for each branch of the military and for joint service. The license plates would be required to include the emblem of the appropriate medal and the name of the medal at the bottom of each plate.

The bill would take effect January 1, 2016.

SUBJECT: Expediting challenges to discretionary juvenile transfer decisions

COMMITTEE: Juvenile Justice and Family Issues — committee substitute recommended

VOTE: 7 ayes — Dutton, Riddle, Hughes, Peña, Rose, Sanford, J. White
0 nays

WITNESSES: For — Scott Ehlers, Harris Co. Public Defender's Office; Patricia Cummings, Texas Criminal Defense Lawyers Association; Christene Wood; (*Registered, but did not testify*: Ron Quiros, Guadalupe County Juvenile Services; Thomas Ratliff, Harris/Ft. Bend County Criminal Lawyers' Association; Mary Mergler, Texas Appleseed; Elizabeth Henneke, Texas Criminal Justice Coalition; Rebecca Bernhardt, Texas Fair Defense Project; Yannis Banks, Texas NAACP; Lisa Tomlinson, Texas Probation Association; Conrad John, Travis County Commissioners Court)

Against — None

On — Michele Deitch; (*Registered, but did not testify*: Jill Mata, Texas Juvenile Justice Department)

BACKGROUND: Under the Family Code, sec. 54.02, a juvenile court may in certain circumstances waive its exclusive original jurisdiction over a case and transfer the juvenile in the case to a district or criminal district court for a criminal proceeding.

Juveniles wishing to appeal these discretionary transfers must wait until they have been convicted of the offense for which they were transferred in order to submit their appeal under Code of Criminal Procedure, art. 44.47. The appeal is handled as a criminal matter and is subject to the Texas Rules of Appellate Procedure. Often, the conviction at trial and subsequent appeals process for juveniles seeking to challenge their transfer can take several years, resulting in a long delay before juveniles can have the original transfer reversed.

DIGEST:

CSHB 725 would enable juveniles or someone on behalf of a juvenile to challenge certain discretionary transfers to criminal court. The bill would amend Family Code, sec. 56.01 to allow these appeals under a provision giving the appeals precedence over all other cases. CSHB 725 also would require the Texas Supreme Court to adopt rules to ensure that these cases were decided quickly by both the appellate court and the Supreme Court.

The bill would repeal the appellate procedure for discretionary juvenile transfer cases under the Code of Criminal Procedure.

CSHB 725 would take effect September 1, 2015, and would apply only to orders of a juvenile court waiving jurisdiction and transferring a child to criminal court that were issued on or after that date.

SUBJECT: Feasibility study on establishing Hueco Tanks State Park visitors center

COMMITTEE: Culture, Recreation and Tourism — committee substitute recommended

VOTE: 5 ayes — Guillen, Frullo, Larson, Márquez, Murr

0 nays

2 absent — Dukes, Smith

WITNESSES: For — Jamie McNally, Access Fund; Rafael Gomez, Jr., Ysleta del Sur Pueblo; Ronald Jackson, Ysleta del Sur Pueblo; Britt Bousman; Myles Miller; Troy Wilson; (*Registered, but did not testify*: Robert Turner, Texas Sheep and Goat Raisers Association)

Against — None

On — Brent Leisure, Texas Parks and Wildlife; (*Registered, but did not testify*: Kevin Good, Texas Parks and Wildlife)

BACKGROUND: Hueco Tanks State Park is located in El Paso County. Some have called for the establishment of facilities at the park that could increase revenue, attendance, and the ability of persons with disabilities to enjoy the park, among other benefits.

DIGEST: CSHB 988 would require the Texas Parks and Wildlife Department to conduct a study on the need for and feasibility of establishing a visitors center at Hueco Tanks State Park in El Paso County. The department would be required to collaborate with the Ysleta del Sur Pueblo tribe in planning for the development of the visitors center site.

The bill would require the department to report the results of the study, which must contain a recommendation on whether to build the center, to the Legislature no later than May 1, 2016.

The bill would take effect September 1, 2015, and its provisions would expire January 1, 2017.

SUBJECT: Requiring a specific reason for rejecting a voter registration application

COMMITTEE: Elections — committee substitute recommended

VOTE: 4 ayes — Laubenberg, Goldman, Phelan, Reynolds
2 nays — Fallon, Schofield
1 absent — Israel

WITNESSES: For — Jacquelyn Callanen, Bexar County Elections Administrator, Texas Association of Elections Administrators; Glen Maxey, Texas Democratic Party; (*Registered, but did not testify*: Victor Cornell, American Civil Liberties Union of Texas; Jesse Romero, Common Cause Texas; Kat Swift, Green Party of Texas; Chris Frandsen, League of Woman Voters of Texas; Dana DeBeauvoir, Legislative Committee of County and District Clerks Association of Texas; Yannis Banks, Texas NAACP; William Fairbrother, Texas Republican County Chairmen’s Association, Legislative Chair; Mike Conwell; Brandon Moore)

Against — Alan Vera, Harris County Republican Party Ballot Security Committee; (*Registered, but did not testify*: Rachael Crider, Cheryl Johnson, and Sheryl Swift, Galveston County Tax Office; Willie O’Brien, Mountain View College Student Government Association; Erin Anderson, True the Vote; John Hobson; Karen Hobson; Carol Kitson; Colleen Vera)

On — (*Registered, but did not testify*: Ashley Fischer, Texas Secretary of State; Keith Ingram, Texas Secretary of State, Elections Division)

BACKGROUND: Election Code, sec. 13.073 requires a voter registrar to give an applicant whose registration application was rejected oral or written notice of the reason for the rejection. Written notice must be delivered no later than the second day after the date of rejection.

DIGEST: CSHB 258 would require the voter registrar to identify in an oral or written notice of rejection of a registration application which section or sections of the application resulted in the rejection of the application. The

registrar would be required to specify if an identified section was incomplete, improperly filled out, or contained information that identified the applicant as ineligible to vote.

In the case of written notice, the registrar would use the official form prescribed by the secretary of state. The secretary of state would prescribe the procedures and forms necessary for implementation.

The bill would take effect September 1, 2015.

**SUPPORTERS
SAY:**

CSHB 258 would help safeguard the rights of voters and ensure the integrity of the voting process. Many rejected applicants currently receive vague, non-specific information in form letters that does not assist them in reapplying successfully. The voter registration form can be confusing, and a mistake as simple as forgetting to check a box can result in a rejection. This can lead applicants to commit the same mistake repeatedly and experience delays and frustration in their attempts to register to vote. The bill would increase success rates for applicants by informing them of what they were doing incorrectly.

The bill would be easy to implement because it merely would require an update to the existing rejection notice form, which already must be sent to any person whose application was rejected. The bill would help ensure that applicants were successful on their second attempts to register, thereby eliminating the need to send out multiple rejection letters.

The bill also would help ensure that voter registrars remained in compliance with the law, while shielding counties against litigation for violations of the Election Code. Concerns that litigation might increase because the registrar might not be able to respond in time to a flood of voter registration applicants immediately before the deadline are unwarranted. The Election Code already requires that a rejection letter be sent to applicants who do not sufficiently complete the form. The bill simply would require an update to the rejection form letter already in use.

**OPPONENTS
SAY:**

CSHB 258 would be unnecessary and redundant because the voter registrar already sends applicants a notice of rejection. The bill would complicate the process by requiring the registrar to point out a specific

reason for rejection. Requiring the registrar to mail out thousands of personalized letters with specific information would be a costly and unnecessary burden on the county.

The bill would be unworkable because voter registrations applications are not submitted in a steady fashion throughout the year. Instead, as the deadline for voter registration approaches, the volume of applications increases. In larger counties, this could create a perfect storm for litigation because if the voter registrar did not reply in time for the voter to make the corrections, these individuals could have a cause of action for litigation.

SUBJECT: Establishing confidentiality of information given to appraisal offices

COMMITTEE: Government Transparency and Operation — committee substitute recommended

VOTE: 6 ayes — Elkins, Galindo, Gonzales, Gutierrez, Leach, Scott Turner
0 nays
1 absent — Walle

WITNESSES: For — Brent South, Texas Association of Appraisal Districts; Jim Evans; (*Registered, but did not testify:* Kelley Shannon, Freedom of Information Foundation of Texas; Roland Altinger, Harris County Appraisal District; Ned Munoz, Texas Association of Builders; Alvin Lankford, Williamson Central Appraisal District)

Against — (*Registered, but did not testify:* John Brusniak, Ryan Law Firm)

BACKGROUND: Tax Code, sec. 22.27(a) stipulates that information about a property submitted to an appraisal office be held confidential and not open to public inspection after a promise it will be held confidential.

Sec. 22.27(b) provides exceptions to property-related information under certain circumstances. Sec. 22.27(c) makes it a class B misdemeanor (up to 180 days in jail and/or a maximum fine of \$2,000) for the unauthorized release of confidential information by an employee of an appraisal office.

Some have reported confusion at appraisal offices about what property tax appraisal information must be held confidential and under what circumstances.

DIGEST: CSHB 1169 would amend Tax Code, sec. 22.27(a) to specify that rendition statements and the information contained within them, along with other information related to a property filed with an appraisal office, were confidential.

Additional information submitted to appraisal offices in connection with a property appraisal would be confidential if it was given with a promise of confidentiality from the appraisal office. The confidential information could be released only to employees of the appraisal office, except under the terms of Tax Code, sec. 22.27(b).

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015, and would apply only to an offense committed on or after that date.

SUBJECT: Requirements for lobbyist registration with Ethics Commission

COMMITTEE: General Investigating and Ethics — favorable, without amendment

VOTE: 6 ayes — Kuempel, Collier, S. Davis, Hunter, Larson, Moody
0 nays
1 absent — C. Turner

WITNESSES: For — Jack Gullahorn, Professional Advocacy Association of Texas;
(*Registered, but did not testify*: Jesse Romero, Common Cause Texas;
Todd Jagger)

Against — (*Registered, but did not testify*: Carol Sewell)

BACKGROUND: Government Code, sec. 305 governs the registration of lobbyists. Sec. 305.003 establishes when persons must register as a lobbyist with the Texas Ethics Commission and contains two thresholds. Sec. 305.003(a)(1) establishes a threshold relating to expenditures. Sec. 305.003(a)(2) establishes a second threshold, requiring individuals to register if they receive, or are entitled to receive, compensation or reimbursement more than a specified amount, determined by the Ethics commission, to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action. Ethics Commission rule 34.43(a) sets this amount at more than \$1,000 in a calendar quarter.

Under commission rule 34.43(b), individuals are not required to register under Government Code, sec. 305.003(a)(2) if no more than 5 percent of their compensated time during a calendar quarter was spent engaging in lobby activity.

Commission rule 34.3 defines compensation for preparation time. It establishes that compensation received for preparing to communicate directly with members of the legislative or executive branch to influence legislation or administrative action is included in calculating

compensation for purposes of the registration and reporting requirements in Government Code, ch. 305.

DIGEST:

HB 3512 would add a definition relating to lobby communications to Government Code, sec. 305 provisions dealing with who must register as a lobbyist. It would define "communicates directly with a member of the legislative or executive branch to influence legislation or administrative action" to include establishing goodwill with the member for the purpose of later communicating with the member to influence legislation or administrative action.

The bill would establish an hourly threshold for when individuals would have to register as a lobbyist under Government Code, sec. 305.003(a)(2). Individuals would not be required to register if they spent 26 hours or less or another amount of time determined by the commission for which they were compensated or reimbursed during a quarter, including preparatory activity to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action.

If an individual spent more than eight hours in a single day in activity to communicate directly with members of the legislative or executive branch to influence legislation or administrative action, it would be considered as having engaged in the activity for only eight hours that day.

The bill would take effect September 1, 2015, and would apply only to registrations or renewals of registrations required to be filed on or after that date.

**SUPPORTERS
SAY:**

HB 3512 would make Texas' law governing who has to register as a lobbyist more transparent. Currently, the requirements establishing who must register are found in the statutes and in Ethics Commission rules and advisory opinions. This can be confusing and can make it difficult to determine whether to register. HB 3512 would codify information about one category of the current thresholds that determine who must register as a lobbyist to make it easier to find and understand.

HB 3512 would codify part of the current standard that defines what it means to communicate directly with officials so that a comprehensive

definition can be located easily. Because a commission advisory opinion has determined that goodwill conversations count as lobby communications, the bill would include them in the definition.

The bill would translate the confusing standard that makes 5 percent of someone's time spent in certain activities one of the thresholds for registering into an easier-to-understand threshold of 26 hours. This number is derived using a standard 40-hour work week and calculating what would be 5 percent of those hours in one calendar quarter. Because commission rules require preparatory time to count toward the threshold, HB 3512 would include this information in statute.

HB 3512 would make no substantive change to the current standards requiring registration as a lobbyist; instead, it would be limited in scope to codifying some of the thresholds currently scattered in different places. This could result in increased compliance and better understanding of the law.

**OPPONENTS
SAY:**

HB 3512 would codify a standard of 26 hours that perhaps should instead be reevaluated. As one of the thresholds establishing who must register as a lobbyist, the limit should be well thought out so that it would apply only to appropriate individuals.

SUBJECT: Directing the comptroller to prepare a statewide report on wage theft

COMMITTEE: Business and Industry — favorable, without amendment

VOTE: 4 ayes — Oliveira, Collier, Fletcher, Romero

1 nay — Rinaldi

2 absent — Simmons, Villalba

WITNESSES: For — (*Registered, but did not testify*: Laura Rosen, Center for Public Policy Priorities; Kelley Shannon, Freedom of Information Foundation of Texas; Rene Lara, Texas AFL-CIO; Donnis Baggett, Texas Press Association; Jennifer Allmon, The Texas Catholic Conference of Bishops; Maxie Gallardo, Workers Defense Project)

Against — None

On — (*Registered, but did not testify*: Dana Vajgert, Texas Workforce Commission)

DIGEST: HB 1715 would direct the comptroller of public accounts, in collaboration with the Texas Workforce Commission, to prepare a report on wage theft by Texas employers. The report would be required to include:

- the demographic groups and industries that are most affected by wage theft;
- an analysis of the economic impact of wage theft on employees and its effect on competition within an industry;
- state and federal remedies available to victims of wage theft;
- difficulties in pursuing remedies under state and federal law; and
- recommendations for legislation to address the difficulties in pursuing remedies.

By December 1, 2016, the comptroller would be required to provide a copy of the report to the governor, the lieutenant governor, the House speaker, and each standing committee of the Senate and House with

primary jurisdiction over matters relating to labor and employment.

The bill would take effect September 1, 2015, and would expire on June 1, 2017.

**SUPPORTERS
SAY:**

HB 1715 would help identify ways to protect vulnerable workers from wage theft. Wage theft disproportionately affects women, immigrants, minorities, and low-wage workers. This bill would direct the comptroller simply to look for ways that the Legislature could protect workers across the state from being treated unfairly by an employer. The bill would not create any new programs or requirements, and the cost of conducting the study could be absorbed by the comptroller and the workforce commission's current budget.

**OPPONENTS
SAY:**

HB 1715 would create an avenue for mandates and regulations that would impose an additional burden on labor and industry. The bill would require the comptroller to provide recommendations for future legislation, which could create unwarranted disruption of current practices and impose more bureaucracy on Texas companies.

SUBJECT: Applying certain immunity and liability laws to charter schools

COMMITTEE: Public Education — favorable, without amendment

VOTE: 9 ayes — Aycock, Allen, Bohac, Deshotel, Galindo, González, Huberty, K. King, VanDeaver

2 absent — Dutton, Farney

WITNESSES: For — Lindsey Gordon, Texas Charter Schools Association; (*Registered, but did not testify*: Amanda List, ResponsiveEd; Mike Hull, Texans for Lawsuit Reform; Addie Gomez, Texans for Quality Public Charter Schools; Nelson Salinas, Texas Association of Business)

Against — (*Registered, but did not testify*: Michael Gutierrez)

On — (*Registered, but did not testify*: Von Byer, Texas Education Agency)

BACKGROUND: Education Code, sec. 12.1056 states that in matters related to the operation of an open-enrollment charter school, the school is immune from liability to the same extent as a school district, and employees and volunteers are immune from liability to the same extent as school district employees and volunteers. The section further states that a member of the governing body of an open-enrollment charter school or of a charter holder is immune from liability to the same extent as a school district trustee.

DIGEST: HB 1171 would extend immunity under Education Code, sec. 12.1056 to a charter holder and its employees and volunteers.

The bill would establish that an open-enrollment charter school is a governmental unit and local government under sections of the Civil Practices and Remedies Code relating to tort claims and payments. A charter school would be a local governmental entity for purposes of contract claims under the Local Government Code.

This bill would take immediate effect if finally passed by a two-thirds

record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

**SUPPORTERS
SAY:**

HB 1171 would clarify that employees, volunteers, and members of a governing body of a charter holder are immune from liability and suit to the same extent as an employee, volunteer, or school district trustee. The bill also would protect charters schools from tort and contract claims by including them as government entities.

Open-enrollment charter schools are public schools that receive state funds, but are not afforded some of the statutory protections enjoyed by school districts. The bill would help safeguard public funds from the threat of tort and breach of contract litigation.

**OPPONENTS
SAY:**

HB 1171 could prevent parties from being able to use the legal system to hold charters school officials accountable for their use of tax dollars. Financial dealings by governing boards of charters schools may receive less public scrutiny than similar dealings by local school boards. Persons who discover illegal behavior by charter officials should be allowed to air those claims in court.

SUBJECT: Increasing a defendant's fee for the execution of a warrant

COMMITTEE: Homeland Security and Public Safety — favorable, without amendment

VOTE: 8 ayes — Phillips, Burns, Dale, Johnson, Metcalf, Moody, M. White, Wray

1 nay — Nevárez

WITNESSES: For — Bobby Gutierrez and Carlos Lopez, Justices of the Peace and Constables Association of Texas; (*Registered, but did not testify:* Carlos Omar Garcia, 79th District Attorney; Seth Mitchell, Bexar County Commissioners Court; Charles Reed, Dallas County; Donna Warndof, Harris County; Bill Elkin, Houston Police Retired Officers Association; Kirsha Haverlah, Justices of the Peace and Constables Association; Buddy Mills and T. Michael O'Connor, Sheriffs' Association of Texas; Mark Mendez, Tarrant County Commissioners Court; Rick Thompson, Texas Association of Counties; Donald Lee, Texas Conference of Urban Counties)

Against — Emily Gerrick, Texas Fair Defense Project

DIGEST: HB 1425 would increase from \$50 to \$75 the fee assessed to a defendant convicted of a crime for the service performed in the case by a peace officer in executing or processing an arrest warrant, capias, or capias pro fine.

The bill would take effect September 1, 2015, and would apply only to a fee imposed for the execution or processing of a warrant for an offense that was committed on or after that date.

SUPPORTERS SAY: HB 1425 would help offset the burden on taxpayers who subsidize the cost of executing a warrant and would place more of the burden on the defendant. The current fee of \$50 does not cover the actual costs of executing a warrant, which is almost double the current fee.

HB 1425 would not place an increased burden on indigent defendants.

Under the Code of Criminal Procedure, ch. 43, the court has discretion to waive the fee for a defendant who defaults in payment if the court determines the defendant is indigent.

OPPONENTS
SAY:

HB 1425 would further burden indigent defendants. Many arrest warrants are executed solely because an individual could not afford to pay a citation. Increasing the fine for the execution of a warrant would only compound the problem. The bill would not include an ability-to-pay provision to protect defendants who could not pay the fee.

HB 1425 could require a fee payment above the actual cost of executing an arrest warrant. Many times a defendant has outstanding arrest warrants for more than one offense, and a fee is imposed for each warrant, even if all are executed at once. A warrant fee still might be charged if an individual was not arrested or turned himself or herself into the police. These fees are deposited in the general revenue fund and therefore are not specifically used to cover the actual costs of a warrant execution.

NOTES:

According to the Legislative Budget Board's fiscal note, the bill would have an estimated positive net impact to general revenue of \$2.2 million through fiscal 2016-17.

SUBJECT: Providing a framework for publishing legal materials online

COMMITTEE: Judiciary and Civil Jurisprudence — committee substitute recommended

VOTE: 9 ayes — Smithee, Farrar, Clardy, Hernandez, Laubenberg, Raymond, Schofield, Sheets, S. Thompson

0 nays

WITNESSES: For — Barbara Bintliff; (*Registered, but did not testify*: Blanca Gonzales, Sierra Club, Tarrant County Democratic Women’s Club, Southwest Democrats of Fort Worth; Brittney Booth, Texas Business Law Foundation; Rhoda Goldberg, Gloria Meraz, Dorcas Hand, and Anita Patel, Texas Library Association; Jane O’Connell; Danielle Plumer)

Against — None

On — Jon Heining, Texas Legislative Council; (*Registered, but did not testify*: David Slayton, Office of Court Administration; Robert Sumners and Lindsey Wolf, Office of the Secretary of State)

BACKGROUND: In 2011, the Uniform Law Commission established the Uniform Electronic Legal Materials Act, which sets up a framework for making online legal material available to the public with the same integrity provided by publication in a law book. The framework of the Uniform Electronic Legal Materials Act is intended to ensure accurate and authentic legal information as online publishing of legal materials becomes increasingly common.

DIGEST: CSHB 1799 would create requirements for official legal materials published online by the Texas Legislative Council and the secretary of state after January 1, 2017.

Under the bill, the Texas Legislative Council would be the official publisher of the Constitution and statutes of Texas, and the secretary of state would be the official publisher of the general or special laws passed in a regular or special session of the Legislature and state agency rules.

The bill would require an official publisher who published legal material only in an electronic record to designate the record as official, authenticate the record, preserve its security, and ensure that it was reasonably available for use by the public on a permanent basis. The bill also would allow an official publisher who published legal material both in an electronic record and in a non-electronic record to designate the electronic record as official if the official publisher authenticated the record, preserved its security, and ensured that it was reasonably available for use by the public on a permanent basis.

An official publisher would authenticate an electronic record by providing a method to determine that it was unaltered from the official record. Authenticated legal material would be presumed to be an accurate copy of the legal material. Under the bill, legal materials authenticated in states with a law that was substantially similar to the bill would be presumed to be accurate. A party seeking to contest the authenticity of legal material in an electronic record would have to show by a preponderance of the evidence that the record was not authentic.

Under the bill, the official publisher would preserve legal material by ensuring the integrity of the record, providing for backup and disaster recovery, and ensuring the continuing usability of the material.

In implementing the provisions of the bill, the official publisher would consider:

- the standards and practices of other jurisdictions;
- standards adopted by national standard-setting bodies;
- the needs of users of legal material in electronic records;
- the views of governmental officials and entities and other interested persons; and
- the methods and technologies used by other states.

The provisions of the bill would be applied and construed to promote uniformity of the law among the states.

The bill would modify, limit, and supersede the federal Electronic

Signatures in Global and National Commerce Act, but would not modify, limit, or supersede provisions of that act that relate to disclosures to consumers and would not authorize electronic delivery of notices by courts.

This bill would take effect September 1, 2015.

NOTES:

The Legislative Budget Board estimates an initial negative impact to general revenue of \$252,000 in fiscal 2016 for software purchases by both the secretary of state and the Texas Legislative Council and for a contractor to setup, install, and configure the software. Beyond that, the LBB estimates a cost of about \$163,000 during session years and about \$34,000 during non-session years for software maintenance and editors.

SUBJECT: Reimbursement of Medicaid providers for school-based telemedicine

COMMITTEE: Public Health — committee substitute recommended

VOTE: 9 ayes — Crownover, Naishtat, Blanco, Coleman, S. Davis, Guerra,
Sheffield, Zedler, Zerwas

2 nays — Collier, R. Miller

WITNESSES: For — Ray Tsai, Children's Health Pediatric Group; Julie Hall-Barrow, Children's Health System of Texas; (*Registered, but did not testify*: Gabriela Saenz, CHRISTUS Health; Gyl Switzer, Mental Health America of Texas; Greg Hansch, National Alliance on Mental Illness Texas; Mariah Ramon, Teaching Hospitals of Texas; Amanda Martin, Texas Association of Business; Jaime Capelo, Texas Chapter American College of Cardiology; Nora Belcher, Texas e-Health Alliance; Jennifer Banda, Texas Hospital Association; Dan Finch, Texas Medical Association; Andrew Cates, Texas Nurses Association; Clayton Travis, Texas Pediatric Society; David White, Texas Psychological Association; John Davidson, Texas Public Policy Foundation; Stephanie Mace, United Way of Metropolitan Dallas)

Against — Lee Spiller, Citizens Commission on Human Rights

On — (*Registered, but did not testify*: Laurie VanHoose, HHSC)

BACKGROUND: Government Code, sec. 531.001 defines a "telemedicine medical service" to mean a health care service that is initiated by a physician or provided by a health professional acting under physician delegation and supervision that is provided for patient assessment by a health professional, diagnosis or consultation by a physician, or treatment, or for the transfer of medical data, that requires the use of advanced telecommunications technology, other than telephone or facsimile technology, including:

- compressed digital interactive video, audio, or data transmission;
- clinical data transmission using computer imaging by way of still-image capture and store and forward; and

- other technology that facilitates access to health care services or medical specialty expertise.

DIGEST:

CSHB 1878 would direct the Health and Human Services Commission (HHSC) to ensure that Medicaid reimbursement would be provided to a physician for a telemedicine medical service, even if the physician was not the patient's primary care physician or provider. A physician would be reimbursed if:

- the physician was an authorized health care provider under Medicaid;
- the patient was a child who received the service in a primary or secondary school-based setting; and
- a health professional was present with the patient during the treatment.

The bill would allow a patient's parent or legal guardian, if appropriate, to consent to notification of the patient's physician or provider that the telemedicine medical service had been provided. If a telemedicine medical service were provided to a child in a school-based setting, the notification would have to include a summary of the service, including exam findings, prescribed or administered medications, and patient instructions.

If before implementing any provision of the bill a state agency determined that a waiver or authorization from a federal agency was necessary for implementation of that provision, the bill would direct the agency affected by the provision to request the waiver or authorization. The agency could delay implementing that provision until the waiver or authorization was granted.

The bill would take effect September 1, 2015.

**SUPPORTERS
SAY:**

CSHB 1878 would extend access to health care to children who otherwise would not have that access by directing HHSC to ensure that Medicaid reimbursement would be provided to a physician for a telemedicine medical service in a school-based setting. The bill would ensure proper medical care by requiring a health professional, such as a school nurse, to

be present with a child while they received a telemedicine visit from a physician.

The school-based telemedicine treatment model described in the bill already has been implemented as a section 1115 Medicaid waiver program. CSHB 1878 would allow this program to continue, even if the waiver were discontinued at the end of the year. It also would allow the program to expand to other school districts that have shown interest.

The telemedicine model under the bill would not be ongoing doctor-patient care and would not circumvent a child's existing primary care physician. Current statute requires patients' primary care physicians to be notified that their patient received a telemedicine service for the purpose of sharing medical information.

By allowing low-acuity conditions, such as an earache, to be treated sooner rather than later, the bill would reduce health care costs for families who otherwise would have to seek treatment in a higher-cost setting because of the late time school gets out. A telemedicine visit under the bill would allow a school nurse to present the child to a physician through a telemedicine call, during which a physician could listen to heart sounds and could see in the child's ear and throat to make a diagnosis. A patient then could follow up with their primary care physician if they had one.

The bill also would preserve parental consent. Under Family Code, sec. 151.001, parents have the right to consent to their minor child's medical care. A parent would have to consent to telemedicine treatment before it would be provided. Existing statute protecting parental consent for a child's mental health treatment would apply to this bill.

**OPPONENTS
SAY:**

While CSHB 1878 aims to provide school-based treatment for primary care such as treatment for an earache, the bill would not specifically exclude mental health treatment or prescription of psychotropic drugs via telemedicine, nor would the bill specifically require parental notification for treatment. Under the bill, if parents signed a form at the beginning of a school year consenting to medical treatment for their child, they could inadvertently consent to mental health treatment through telemedicine as

well. This could cause a child to be prescribed a psychotropic drug or enter into counseling without a parent's knowledge.

SUBJECT: Changing payment date for annuities from TRS

COMMITTEE: Pensions — committee substitute recommended

VOTE: 7 ayes — Flynn, Alonzo, Hernandez, Klick, Paul, J. Rodriguez,
Stephenson

0 nays

WITNESSES: For — Dwight Harris, Texas American Federation of Teachers; Timothy Lee, Texas Retired Teachers Association; (*Registered, but did not testify*: Josh Sanderson, Association of Texas Professional Educators; Ann Fickel, Texas Classroom Teachers Association)

Against — None

On — (*Registered, but did not testify*: Brian Guthrie, Teacher Retirement System)

BACKGROUND: Government Code, sec. 824.003 states that monthly retirement benefits paid by the Teacher Retirement System of Texas (TRS) generally are due to be paid on the first working day of each month following the month for which the payment accrues.

When a month begins on a weekend or holiday annuity payments generally are not paid until after that weekend or holiday. This means that retirees who depend on those benefits must wait several days.

DIGEST: CSHB 2168 would amend Government Code, sec. 824.003 to specify that monthly annuity payments generally are due to be paid on the last working day of the month for which the payment accrues.

This bill would take effect September 1, 2015.